



NEWS RELEASE

IVERNIA WEST INC. REPORTS THIRD QUARTER 2001 RESULTS

(All dollar amounts are in United States dollars)

Overview

- The Company reported a net loss of \$7.7 million or \$0.07 per share for the quarter ended September 30, 2001.
- Effective July 1, 2001, Ivernia's interest in the Lisheen Mine is reported as an Investment using the equity method of accounting under Canadian GAAP.
- The zinc metal price on the LME continued to decline throughout the third quarter and into the fourth quarter declining to the lowest price in real dollar terms since the early 1930s.
- Production was interrupted at the Lisheen Mine during the quarter due to remedial activities to address poor ground intersected in underground development headings. Despite these activities, production during the quarter was still the second highest on record. The first five of seven additional zinc cleaner cells installed in the Lisheen Mine concentrator plant were commissioned early in the quarter resulting in higher zinc recoveries.
- Additional exploration activities and resource definition drilling commenced late in September at the Magellan Project.
- Discussions continue on financing the development of the Magellan Lead Project, Western Australia.

TORONTO, CANADA and DUBLIN, IRELAND (November 29, 2001) – Ivernia West Inc. ("Ivernia," the "Company") today reported its operating results for the third quarter ended September 30, 2001.

The Company reported a net loss of \$7.7 million or \$0.07 per share for the quarter and \$19.2 million for the nine month period ended September 30, 2001, compared with a loss of \$0.7 million or \$0.01 per share for the third quarter of 2000 and \$3.9 million for the first nine months of 2000.

Effective July 1, 2001, the Company changed the reporting of its interest in the Lisheen Mine from a proportional consolidation of its interest to reporting its interest in the Mine as an Investment using the equity method of accounting under Canadian GAAP. This change in method of consolidation reflects the position that Anglo American plc (Ivernia's Lisheen Mine joint venture partner) has, until further notice, assumed responsibility for 100% of the Lisheen Mine funding requirements and as a consequence Ivernia considers that it no longer exercises joint control over the Lisheen joint venture, but does continue to exercise significant influence. The primary reasons for the net loss during the third quarter of 2001 and the first nine months of 2001 compared to the same periods in 2000 were initial operating losses from the Company's investment in the Lisheen Mine and an increase in interest charges expensed during the quarter. Commercial production for reporting purposes commenced at the Lisheen Mine on January 1, 2001. Interest charges prior to the commencement of commercial production at Lisheen were capitalized.

Operating results at the Lisheen Mine are highly levered to changes in the price of zinc. Toward the end of the quarter the price of zinc on the LME declined to a 13 year low in nominal terms and as much as a 60 year low in real terms (after accounting for the effects of inflation). It is estimated that during the third quarter and the first nine months of 2001, respectively, \$1.9 million and \$4.5 million of the Company's loss from its equity investment in Lisheen can be attributed to the reduction in the zinc metal price relative to the previous year periods. It is estimated that a \$0.10 change in the price per pound of zinc will result in an approximate \$9 million change in the income from its equity investment in Lisheen.

Net cash generated from investing activities during the third quarter of 2001 was \$6.6 million (of which a receipt for \$6.8 million related to a return of capital by the Lisheen joint venture, such return of capital being funded by Anglo under the terms of the Anglo Funding Agreement, to enable Ivernia to repay the Lisheen Mine working capital facility and pay Lisheen project loan interest due during the quarter, while expenditure of \$0.2 million related to the Magellan Project), compared to cash utilized of \$6.6 million (of which \$5.7 million related to the Lisheen Mine and \$0.9 million related to the Magellan Project) in the same period of 2000.

Net cash utilized in financing activities during the third quarter of 2001 was \$7.1 million compared to net cash generated from financing activities of \$8.9 million in the same period of 2000. Of the \$7.1 million utilized in financing activities \$3.7 million went towards the repayment of the working capital facility and \$3.4 million towards part repayment of the Standby facility.

As at September 30, 2001 Ivernia had a working capital deficiency of \$13.3 million compared to a working capital deficiency of \$19.7 million as at June 30, 2001. The principal reason for the reduction in the working capital deficiency was the above mentioned return of capital by the Lisheen joint venture (\$6.8 million) to enable Ivernia to repay the Lisheen working capital facility and project loan interest due during the quarter.

METAL PRICES, CURRENCIES AND INTEREST RATES

In addition to the normal operating and geological risks associated with mining activities, Ivernia's profitability is largely dependent on metal prices, smelter treatment charges, foreign exchange rates, interest rates and its 50% interest in the Lisheen Mine.

Metal Prices and Smelter Treatment Charges

London Metal Exchange (LME) prices for zinc and lead metals produced by the Company for the third quarter and first nine months of 2001 compared with the same periods in 2000 were as follows:

Average LME Prices	Three months ended		Nine months ended	
	September 30, 2001	September 30, 2000	September 30, 2001	September 30, 2000
Zinc \$/lb	0.37	0.53	0.42	0.52
Lead \$/lb	0.21	0.21	0.22	0.20

Towards the end of the quarter the price of zinc, the Company's primary metal, declined to a 13 year low of \$0.35 per pound. In real dollar terms (taking into account inflation), prices have not been this low since the 1930s. The decline in LME zinc metal prices during the past year has resulted in operating losses for many of the world's zinc mining companies. During the third quarter a number of zinc mining companies were attempting to restructure their debts and several zinc mine closures have been announced.

Foreign Exchange Rates

Substantially all operating costs incurred by the Lisheen Joint Venture in connection with the Lisheen Mine are denominated in Irish pounds or Euros, while its revenues are earned in US dollars. Accordingly, changes in exchange rates between the Irish pound and the US dollar will affect Ivernia's profit or losses from its Lisheen equity investment. In order to reduce its exposure to currency fluctuations, the Lisheen joint venture has hedged a portion of its Irish pound exposure against currency fluctuations. Refer to note 7 to the attached Financial Statements.

Interest Rates

Ivernia's Project Loan for the Lisheen Mine of \$86.5 million bears interest at US dollar LIBOR plus 1% per annum. The Company has also entered into interest rate swap contracts with various financial institutions to manage its interest rate risk exposure arising from changes in the market interest rates on its floating rate long-term debt. Refer to note 7 to the attached Financial Statements.

OPERATIONS REVIEW

Lisheen Mine (Ivernia – 50% equity interest)

Performance at the Lisheen Mine improved significantly during the third quarter 2001 compared to the third quarter 2000. Improved performance during the third quarter 2001 was the result of remedial activities implemented at the mine during the previous nine months to improve mine production and plant throughput and recoveries.

Mine production, which was ramping up towards design levels of production during the first half of 2001, was interrupted during the third quarter due to the intersection of poor ground in development headings in the Derryville zone in late June and in the Main Zone East in July. Anglo American (operator of the Mine) estimates that access to a total of approximately 100,000 tonnes of ore was delayed as a result of the remedial ground support activities which included the installation of steel sets and adjustments to planned development headings. These activities resulted in reduced mine production and higher dilution due to interruptions in mining, adjustments in the mine plan and the mining of greater than planned amounts of development material. Mine production during the third quarter was approximately 78% of design while mill production averaged 70% of design. Zinc grades averaged approximately 80% of plan.

Anglo American estimates that the design mine and mill production rate of 1.5 million tonnes per annum, will be attained late in the fourth quarter 2001. Mine production during October 2001 totaled approximately 77% of design capacity, however in November there was a significant turnaround in performance with month to date mine production at better than the design rate.

All seven of the new zinc circuit cleaner cells arrived on site with the first five commissioned on July 16th. Although zinc head grades fell below plan during much of the quarter as a result of the remedial ground support activities in the mine, during periods when grades were according to plan at greater than 11% zinc, recoveries of zinc were around 90%. The joint venture partners are encouraged by the initial increase in recoveries of zinc and improved zinc concentrate grades following the commissioning of these new zinc cleaner cells. The remaining two zinc cleaner cells were installed in early November and are scheduled to be commissioned by late November 2001.

Operating results for the three month period ended September 30, 2001 and the first nine months of 2001 and corresponding periods in 2000 were as follows:

Lisheen Mine Production Summary

	2001		2000	
	Q3	YTD	Q3	YTD
Tonnes Mined	291,177	872,608	201,805	621,858
Tonnes Milled	260,496	815,120	203,555	589,752
Grade - Zn	8.98%	11.19%	12.07%	12.02%
Grade - Pb	1.36%	2.24%	3.97%	4.12%
Recoveries - Zn	84.99%	81.79%	59.45%	65.85%
Recoveries - Pb	68.06%	71.89%	65.60%	71.27%
Tonnes Zn Concentrate	36,104	138,196	27,488	86,606
Tonnes Pb Concentrate	3,794	20,379	7,391	26,036
Concentrate Grade - Zn	55.09%	53.97%	53.13%	53.91%
Concentrate Grade - Pb	63.54%	64.29%	71.72%	66.50%
Tonnes Recoverable Zn	19,890	74,581	14,603	46,688
Tonnes Recoverable Pb	2,411	13,101	5,301	17,315

Cash Production Cost (1) \$0.48 \$0.46

(1) US\$ per pound payable zinc sold including smelter charges.

Magellan Project (Ivornia – 91.6% interest)

During the quarter a follow-up program of reverse circulation (RC) drilling, drill hole sampling and gravity geophysics began on the Magellan Project tenements near Wiluna, Western Australia. The field work comprised:

- RC drilling at the Cano Prospect;
- Collection of additional drill hole samples and data for a resource test work program at the Cano Prospect;
- Down-hole geophysical logging of drill holes;
- RC drilling at the Magellan Deposit;
- RC drilling at the Gama Prospect; and
- A detailed ground based, gravity geophysical survey over the Gama Prospect.

The program at the Cano Prospect is designed to test the integrity of the existing drill hole database and gather additional data to allow a more accurate estimation of resources. Drilling at the Magellan Deposit is designed to evaluate the potential for extension of resources outside the current pit outline. Drilling at the Gama Prospect was completed in conjunction with a surface gravity survey to gain a better understanding of the relationship between mineralisation, lithology and structure. Some of the target areas highlighted during the geophysical survey are to be drill tested for lead so that the results can be used to assist interpretation in other lesser-drilled areas of the Prospect and to better plan future programs. It is expected that a geological resource will be calculated at the Cano Prospect prior to year end.

Current proven and probable reserves at the Magellan Project total 8.5 million tonnes grading 7.12% lead. The Company believes that the results from the drilling programs conducted this year further confirm the excellent potential for expanding the Magellan Project resource in those areas proximal to the planned Magellan Project pit. This should provide additional lead resources for a potential expansion of the production rate of the Magellan Project or an extension to the Project mine life.

The Magellan Project Final Feasibility Study (the "FFS"), completed in February 2001 envisages lead ore being processed on-site through a process of conventional milling and flotation concentration with lead recoveries expected to average approximately 85% to produce a concentrate grading

approximately 70% lead. The concentrate will undergo on-site batch refining to produce approximately 55,000 tonnes per annum of marketable lead metal of about 99.97% purity. Based on the FFS, operating costs, including mining, processing, refining, transport, royalties and overhead charges are estimated to be US\$329 per tonne of marketable lead metal.

Ivernia holds a 91.6% direct and indirect equity interest in the Magellan Project with currently exercisable options to increase such interest to 100%. A total of \$0.2 million was spent on the project during the third quarter 2001 to complete the aforementioned drilling program and further advance the project towards development.

EXPLORATION AND DEVELOPMENT

Early stage exploration activities (mapping, sampling, geochemical analysis plus some minor lithological and anomaly drilling) continued during the quarter on the Company's various joint venture and independently held exploration concessions in Ireland, Australia and the USA. Exploration activities funded by the Company have been significantly reduced in light of weak metal prices, the focus on improving the performance of the Lisheen Mine and the financing and development of the Magellan Project.

Certain statements included in this press release constitute forward looking statements which involve known and unknown risks, uncertainties and other factors that may cause the actual results of the Company to be materially different from future results expressed or implied by those forward looking statements.

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NEWS RELEASE

IVERNIA WEST INC.
CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT
(in thousands of United States dollars, except per share amounts)

	Three-month period		Nine-month period	
	ended September 30,		ended September 30,	
	2001	2000	2001	2000
	\$	\$	\$	\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Gross revenue	-	-	27,461	-
Smelter costs	-	-	14,480	-
Net revenue	-	-	12,981	-
Mine operating costs				
Cost of sales	-	-	14,340	-
Depreciation and amortisation	-	-	4,549	-
	-	-	18,889	-
	-	-		
Loss from mining operations	-	-	(5,908)	-
Other expenses (income)				
General and administrative	677	385	1,688	1,181
Reorganisation costs	-	382	-	1,448
Foreign exchange loss (gain)	(219)	(159)	82	787
Exploration	106	184	277	786
Interest expense	1,539	-	5,886	-
Interest income	(59)	(133)	(247)	(272)
Writedown of investments	48	-	48	-
Loss from Lisheen equity investment (note 3)	5,591	-	5,591	-
	7,683	659	13,325	3,930
Loss for the period	(7,683)	(659)	(19,233)	(3,930)
Deficit - beginning of period	(54,121)	(15,160)	(42,571)	(11,889)
Deficit - end of period	(61,804)	(15,819)	(61,804)	(15,819)
Loss per share (note 1)	(0.07)	(0.01)	(0.16)	(0.04)
Weighted average number of common shares outstanding (000s)	117,466	114,812	117,466	109,542

IVERNIA WEST INC.
CONSOLIDATED BALANCE SHEET
(in thousands of United States dollars)

	<u>September 30,</u>	<u>December 31,</u>
	2001	2000
	\$	\$
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	1,326	10,096
Accounts receivable	161	2,824
Inventories	-	2,839
Other current assets	167	441
	<u>1,654</u>	<u>16,200</u>
Investments (notes 2 and 3)	103,505	64
Property, plant and equipment	7,043	138,341
Restricted cash and cash equivalents	1,836	1,676
Deferred charges	50	1,481
	<u>114,088</u>	<u>157,762</u>
Liabilities		
Current liabilities		
Working capital facility	-	3,750
Current portion of long term debt (notes 4 and 5)	13,308	7,847
Accounts payable and accrued liabilities (note 4)	1,660	14,021
	<u>14,968</u>	<u>25,618</u>
Long-term debt (note 5)	75,600	89,117
Reclamation and mine closure costs	-	274
Minority interest	497	497
	<u>91,065</u>	<u>115,506</u>
Shareholders' Equity		
Share capital (note 6)	78,019	78,019
Deficit	(61,804)	(42,571)
Cumulative translation adjustments	6,808	6,808
	<u>23,023</u>	<u>42,256</u>
	<u>114,088</u>	<u>157,762</u>

IVERNIA WEST INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of United States dollars)

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2001	2000	2001	2000
	\$	\$	\$	\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash provided by (used in)				
Operating activities				
Loss for the period	(7,683)	(659)	(19,233)	(3,930)
Non-cash items:				
Depreciation and amortization	-	10	4,549	32
Loss from equity investment	5,591	-	5,591	-
Writedown of investments	48	-	48	-
Other	61	-	185	-
Changes in non-cash working capital:				
Accounts receivable, inventories and other current assets	5	(1,209)	(165)	(736)
Accounts payable and accrued liabilities	(1,822)	(443)	(1,657)	434
Charge in restricted cash and cash equivalents	-	266	(160)	(233)
	<u>(3,800)</u>	<u>(2,035)</u>	<u>(10,842)</u>	<u>(4,433)</u>
Investing activities				
Additions to property, plant and equipment	(185)	(6,648)	(7,219)	(19,652)
Decrease (increase) in equity investment	6,750	-	6,750	-
	<u>6,565</u>	<u>(6,648)</u>	<u>(469)</u>	<u>(19,652)</u>
Financing activities				
Net cash proceeds on issue of shares	-	-	-	7,378
Working capital facility raised (repaid)	(3,750)	3,000	(3,750)	3,000
Increase (decrease) in long-term debt raised, net	(3,389)	5,942	9,319	9,660
Proceeds on the sale of capital stock held by subsidiaries	-	-	-	97
	<u>(7,139)</u>	<u>8,942</u>	<u>5,569</u>	<u>20,135</u>
Reduction in cash on deconsolidation	<u>(2,808)</u>	<u>-</u>	<u>(2,808)</u>	<u>-</u>
Effect of exchange rate changes on cash equivalents	<u>228</u>	<u>(669)</u>	<u>(220)</u>	<u>(670)</u>
Net increase (decrease) in cash and cash equivalents	<u>(6,954)</u>	<u>(410)</u>	<u>(8,770)</u>	<u>(4,620)</u>
Cash and cash equivalents - Beginning of period	<u>8,280</u>	<u>10,717</u>	<u>10,096</u>	<u>14,927</u>
Cash and cash equivalents - End of period	<u>1,326</u>	<u>10,307</u>	<u>1,326</u>	<u>10,307</u>



NEWS RELEASE

IVERNIA WEST INC.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2001 and 2000
(in thousands of United States dollars, except number of shares and per share amount)
(unaudited)

1. Significant accounting policies

The interim consolidated financial statements of Ivernia West Inc. and its subsidiaries (the "Company") have been prepared in accordance with Canadian generally accepted accounting principles, using the same accounting policies and basis as those disclosed in note 1 (Going concern), note 2 (Nature of operations) and note 3 to the Company's audited consolidated financial statements for the year ended December 31, 2000 except for earnings per share and the amendments to the summary of significant accounting policies outlined in 2 below. Effective January 1, 2001, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants with respect to interim financial reporting and earnings per share. The new recommendations have been applied on a retroactive basis. The adoption of these recommendations had no significant impact.

These interim consolidated financial statements should be read in conjunction with the Company's audited annual consolidated financial statements included in the Company's Annual Report for the year 2000.

2. Summary of significant accounting policies

Refer to note 3 to the Financial Statements in the Company's Annual Report for the year 2000. Summarized below are the amendments to the significant accounting policies used in these consolidated financial statements.

Basis of consolidation

The consolidated financial statements include the accounts of the Company. Interests in joint ventures where the Company has joint control are accounted for by the proportionate consolidation method. Interests in investments, including joint ventures, where the company exercises significant influence are accounted for by the equity method.

Investments

Investments in which the Company exercises significant influence are accounted for by the equity method. Investments in which the Company does not exercise significant influence, and which are comprised of listed securities, are accounted for using the cost method.

3. Lisheen joint venture

Refer to note 4 to the Financial Statements in the Company's Annual Report for the year 2000.

The Lisheen Mine commenced commercial production for reporting purposes on January 1, 2001.

Since October 2000, Anglo has funded the Company's 50% share of contributions for the Lisheen Mine under the terms of the Anglo Funding Agreement (note 4).

The directors of Ivernia West Inc. consider that with effect from July 1, 2001 the Company no longer exercises joint control but does exercise significant influence over the Lisheen joint venture. Consequently, with effect from July 1, 2001 the Company accounts for the Lisheen joint venture as an investment by the equity method.

The Company's loss from the Lisheen equity investment during the three-month period ended September 30, 2001 is summarized as follows:

	\$
Net revenue	4,854
Cost of sales	<u>(7,557)</u>
Depreciation	<u>(2,363)</u>
Interest expense	<u>(525)</u>
Loss	<u>(5,591)</u>

4. Anglo funding agreement for Lisheen joint venture

Refer to note 9(c) to the Financial Statements in the Company's Annual Report for the year 2000.

Since October 2000, Anglo has funded the Company's 50% share of contributions for the Lisheen Mine under the terms of the Anglo Funding Agreement. As at September 30, 2001, \$ 27.72 million including interest had been funded by Anglo under the Anglo Funding Agreement (December 31, 2000 - \$4.5 million).

In June 2001, the Company completed an amendment to the terms of the Anglo Funding Agreement providing for the funding by Anglo until further notice of the Company's 50% share of certain overrun contributions and other contributions for the Lisheen Mine including Project loan interest and principal payments. Under the amending agreement, the date by which the Company must elect to resume funding of certain overrun contributions and other contributions or be potentially subject to applicable penalty provisions under the Lisheen Joint Venture agreement (such penalty provisions include the loss of the Company's voting entitlement at meetings of the Lisheen Mine Management Committee and the suspension of the Company's right to order and direct the marketing and sale of its share of concentrates) was extended to September 30, 2001. The amending agreement also provides that all contributions made by Anglo shall not result in any dilution of the Company's 50% participating interest and shall be repaid together with interest calculated to derive a 10% annual real rate of return from the first available Lisheen Mine cashflow. The Company did not elect to resume funding of certain overrun contributions and other contributions as at 30 September 2001. In November 2001 Anglo reaffirmed its commitment to continue this funding arrangement until further notice. As stated above, this funding arrangement for the Lisheen Mine includes Project loan interest and principal payments. The Company's consolidated balance sheet as of September 30, 2001 includes the \$13.31 million current portion of the Project loan and \$0.77 million of accrued Project loan interest, the funding for which both fall within this funding arrangement. With effect from October 1, 2001 Anglo has the right to invoke the above stated penalty provisions by 14 days written notice. Anglo has served no such notice nor indicated its intention to do so. The funding by Anglo under the terms of the Anglo Funding Agreement shall be repaid by the Lisheen Mine from the first available cash flow from the Lisheen Mine after meeting the Project loan facility agreement obligations.

5. Long-term debt

Refer to note 9 to the Financial Statements in the Company's Annual Report for the year 2000.

	September 30,	December 31,
	2001	2000
	\$	\$
Project loan	86,500	86,500
Anglo funding agreement (note 4)	-	4,500
Standby facility (a)	2,408	5,964
	88,908	96,964
Less current portion:		
Project loan	13,308	6,654
Standby facility	0	1,193
	75,600	89,117

(a) Standby facility

Refer to note 9(b) to the Financial Statements in the Company's Annual Report for the year 2000, and to note 3(b) to the Financial Statements for the period ended June 30, 2001.

In July 2000 the Company drew down in full the IR £5 million (approximately \$5.4 million) Standby facility from an Irish financial institution. The purpose of the Standby facility was to meet the Company's share of cost overrun funding requirements for the Lisheen Mine. In August 2000 the Company utilized IR £1.69 million (approximately \$1.99 million) of the Standby facility draw down to meet a funding call from the Lisheen Mine. In November 2000 the Company finalised arrangements with Anglo for the ongoing funding of the Company's 50% share of certain overrun contributions for the Lisheen Mine under the terms of the Anglo Funding Agreement and subsequently did not utilize the Standby facility to meet Lisheen funding calls. In June 2001 the Anglo Funding Agreement was extended to cover the ongoing funding of the company's 50% share of other contributions for the Lisheen Mine. The Anglo Funding Agreement replaced the need to use the balance of the Standby facility for Lisheen funding calls and accordingly in July 2001 the Company reached agreement with the Irish financial institution to repay on July 23, 2001 IR £2.92 million (approximately \$3.14 million) of the IR £5 million draw down. The IR £2.08 million (\$2.41 million) balance on the Standby facility is repayable on June 30, 2003. Interest on the Standby facility is payable at the rate of 2% per annum over the cost of funds to the lender on the relevant interbank market. The Standby facility is secured pursuant to a security deed by a charge over all of the Company's cash flow from the Lisheen Joint Venture and the shares of its subsidiary, Ivernia Lisheen Holdings Limited.

6. Share capital

The number of common shares outstanding at September 30, 2001 and December 31, 2000 was 117,466,126.

At September 30, 2001 there were outstanding options to purchase 7,700,000 common shares of the Company, of which 3,650,000 were exercisable at that date. During the quarter nil options expired, and no new options were granted.

7. Hedge program

The Company's equity share of the Lisheen Mine Partnership's currency hedge program consists of forward contracts to sell \$20.87 million as at September 30, 2001 (December 31, 2000 - \$28.23 million) during 2001 – 2003 (December 31, 2000 – during 2001-2003) at an average rate of IR £1.00 to

US\$1.23 (December 31, 2000 - \$1.35). The unrealized loss on the currency hedge program was \$1.57 million as at September 30, 2001 (December 31, 2000 – unrealized loss of \$3.20 million).

The Company also entered into interest rate swap contracts with various financial institutions to manage its interest rate risk exposure arising from changes in the market interest rates on its floating rate long-term debt. Under the terms of the interest rate swap contracts, the Company pays fixed rate interest payments in exchange for floating rate interest payments. The term to maturity of the contracts outstanding ranges from three years to five years and the contracts are due to mature on dates between August 2002 and August 2005. The total notional amount outstanding as at September 30, 2001 is \$ 47.0 million (December 31, 2000 - \$47.0 million). As at September 30, 2001, the unrealized loss on the interest rate swaps was \$2.16 million based on prevailing interest rates (December 31, 2000 – unrealised loss of \$2.2 million).

8. Contingent liabilities

Refer to note 15 to the Financial Statements in the Company's Annual Report for the year 2000.

The Revenue Commissioners in Ireland have indicated that they propose to appeal to the Irish High Court on a point of law a decision of the Appeal Commissioners in 1996 in favour of Ivernia West plc, in respect of a Value Added Tax repayment claim for IR£94,000 (\$109,000) relating to Value Added Tax paid on legal fees and costs in respect of a High Court action in 1994.